

Maine Revised Statutes
Title 36: TAXATION
Chapter 822: TAX CREDITS

**§5219-NN. CREDIT FOR DISABILITY INCOME PROTECTION PLANS IN THE
WORKPLACE**

(WHOLE SECTION CONFLICT: Text as enacted by PL 2015, c. 490, §8)

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Disability income protection plan" or "plan" has the same meaning as in Title 24-A, section 2804-B. [2015, c. 490, §8 (NEW).]

B. "Elimination period" means the time period during which an employee is unable to work due to a covered sickness or injury but is not yet eligible for disability benefits under the plan. [2015, c. 490, §8 (NEW).]

C. "Employee" means an individual who performs services for an employing unit and is eligible to enroll in a qualified short-term disability income protection plan or a qualified long-term disability income protection plan under the terms and conditions of the disability income protection plan. [2015, c. 490, §8 (NEW).]

D. "Employing unit" has the same meaning as in Title 26, section 1043, subsection 10. [2015, c. 490, §8 (NEW).]

E. "Qualified long-term disability income protection plan" means an employer-sponsored disability income protection plan that replaces at least 50% of predisability earnings prior to any applicable offsets, offers benefits for at least 24 months, has an elimination period of no greater than 185 days and is either:

- (1) A plan established after January 1, 2017 that allows for employees to opt out of enrollment; or
- (2) An existing plan that is reopened for enrollment and allows for employees to opt out of enrollment. [2015, c. 490, §8 (NEW).]

F. "Qualified short-term disability income protection plan" means an employer-sponsored disability income protection plan that replaces income of at least \$200 per week, offers benefits for at least 6 months, has an elimination period of no more than 30 days and is either:

- (1) A plan established after January 1, 2017 that allows for employees to opt out of enrollment; or
- (2) An existing plan that is reopened for enrollment and allows for employees to opt out of enrollment. [2015, c. 490, §8 (NEW).]

[2015, c. 490, §8 (NEW).]

2. Credit allowed. A taxpayer constituting an employing unit is allowed a credit against the tax imposed by this Part for each taxable year beginning on or after January 1, 2017 for either a qualified short-term disability income protection plan or a qualified long-term disability income protection plan.

[2015, c. 490, §8 (NEW).]

3. Limit. The total annual credit for a taxpayer under this section is limited to an amount equal to \$30 for each employee enrolled after January 1, 2017 in either a qualified short-term disability income protection plan or a qualified long-term disability income protection plan, as long as the employee enrolled in a qualified short-term disability income protection plan or a qualified long-term disability income protection plan was not covered under a disability income protection plan offered by the employing unit in the tax year immediately

preceding the year in which the credit is first available. The credit must be claimed by a taxpayer in the first tax year during which the taxpayer is eligible to claim the credit and may be taken for no more than 3 consecutive tax years.

[2015, c. 490, §8 (NEW) .]

4. Carry over; carry back. The amount of the credit that may be used by a taxpayer may not exceed the amount of the tax otherwise due. Any unused credit may not be carried over or carried back by a taxpayer.

[2015, c. 490, §8 (NEW) .]

SECTION HISTORY

2015, c. 388, Pt. A, §15 (NEW). 2015, c. 490, §8 (NEW). 2015, c. 503, §1 (NEW).

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